

REPORTS ANALYSIS DIVISION REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: August 8, 2013

ANALYST: Tyler Culberson

- I. COMMITTEE: Lynn Jenkins for Congress
C00433730
Heather Grote, Treasurer (5/9/13 – present)
Kurt Bossert, Treasurer (2/25/10 – 5/8/13)
Robert M. Telthorst, Treasurer (4/19/09 – 2/24/10)
PO Box 1441
Topeka, KS 66601-1441
- II. RELEVANT STATUTES: 2 U.S.C. § 434(b)
11 CFR § 102.9
11 CFR § 102.15
11 CFR § 104.3
- III. BACKGROUND:

Other Violations of the Federal Election Campaign Act (Unauthorized Use of Committee Funds)

Lynn Jenkins for Congress ("the Committee") filed a Miscellaneous Electronic Submission ("Form 99") to disclose unauthorized disbursements totaling \$21,300.00 and refunds of unauthorized disbursements totaling \$21,308.92 (Attachment 2).

On September 21, 2011, Matthew Connolly, the Committee's counsel, called the Reports Analysis Division (RAD) Analyst to report that the former Committee treasurer, Robert Telthorst, embezzled money from the Committee, making three (3) unauthorized disbursements totaling approximately \$20,000.00. Mr. Connolly requested guidance on how to report the unauthorized activity. The Analyst directed Mr. Connolly to the "FEC Policy Regarding Self-Reporting of Campaign Finance Violations (Sua Sponte Submissions)" section on the FEC website. In addition, the Analyst requested that the Committee file a Form 99 explaining the unauthorized activity. The Analyst encouraged Mr. Connolly to contact the Office of General Counsel (OGC) as soon as possible and provided Mr. Connolly with the contact phone number (Attachment 3).

On October 11, 2011, the RAD Analyst called Mr. Connolly to follow up on the previous conversation regarding how to properly report unauthorized disbursements the former treasurer may have made, as well as any related repayments made to the Committee. The Analyst informed Mr. Connolly that unauthorized disbursements should be reported on Line 21 (Other Disbursements) and repayment of unauthorized disbursements should be reported on Line 15 (Other Receipts) of the Detailed Summary Page on the appropriate quarterly report. Mr. Connolly indicated that the Committee was working with OGC to file a *sua sponte* submission (Attachment 3).

On January 31, 2013, the Committee filed a Form 99 which stated, in part:

"In the summer of 2011 we were notified by the FBI that our former treasurer, Rob Telthorst, was under investigation for possible misappropriation of funds from a number of his former clients. There were three disbursements from our campaign committee, totaling \$21,300 that they believed may not have been authorized by the campaign. After being contacted, we immediately notified the Federal Election Commission of the situation and authorized an outside independent vendor to perform an audit during the time period Telthorst controlled our accounts from early 2009 to early 2010. In the course of the audit, the accountant found the three unauthorized disbursements from our account totaling \$21,300. It was also discovered that those funds were subsequently reimbursed in full from an unauthorized outside account (Robert M. Telthorst Sole Prop DBA Lynn Jenkins for Congress) making our campaign funds whole (Image 13960692635).

On July 1, 2013, the RAD Analyst contacted Heather Grote, the Committee's current treasurer, to inform the Committee that they were being referred to another office within the FEC due to the unauthorized activity reported on the Committee's Form 99, received January 31, 2013. The Analyst explained that if the Committee wanted to provide further clarification regarding this issue, they could file additional Form 99s for the public record (Attachment 3). Later on the same day, Patrick Leopold, the Campaign Manager, called the RAD Analyst to follow up concerning the pending referral discussed with Ms. Grote (Attachment 3).

On July 3, 2013, the RAD Analyst contacted Mr. Leopold asking if the Committee had filed any other reports in addition to the Form 99 dated January 31, 2013, containing information related to unauthorized transactions made by the Committee's former treasurer, Robert Telthorst. Mr. Leopold said the Committee did not file any additional reports relating to the unauthorized activity. He indicated that the Committee had been instructed by OGC to provide information related to unauthorized transactions made with Committee funds on a Form 99 because the alleged embezzlement activity appeared to be limited to transfers between Committee accounts (Attachment 3).

To date, no further communications have been received from the Committee regarding this matter.

140474N-NNNN

O-Index (2013-2014)													
Cmte. ID: C00433730 Cmte. Name: LYNN JENKINS FOR CONGRESS													
Treasurer Name: GROTE, HEATHER Address: PO BOX 1441, TOPEKA, KS 66601-1441													
Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: QUARTERLY FILER													
Form Tp	Rpt Tp	AI	Recpt Dt	Pgs	Begin Img#	Begin Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits & Loans
MS-T			1/31/2013	1	1390682635								
F3N	Q1	N	4/15/2013	75	13940534850	1/1/2013	3/31/2013		\$795,065	\$223,672	\$64,816	\$953,921	\$0
F3N	Q2	N	7/15/2013	122	13941150050	4/1/2013	6/30/2013		\$953,921	\$376,318	\$83,230	\$1,247,009	\$0
F1A		A	5/9/2013	9	13940696638								
Totals									\$599,990		\$148,047		

O-Index (2011-2012)													
Cmte. ID: C00433730 Cmte. Name: LYNN JENKINS FOR CONGRESS													
Treasurer Name: GROTE, HEATHER Address: PO BOX 1441, TOPEKA, KS 66601-1441													
Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: QUARTERLY FILER													
Form Tp	Rpt Tp	AI	Recpt Dt	Pgs	Begin Img#	Begin Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits & Loans
MS-T			3/21/2011	1	11930539106								
MS-T			10/11/2011	1	11971561034								
MS-T			11/27/2012	3	12961284676								
RQ2	12P	N	12/17/2012	4	12330018398	7/1/2012	7/18/2012	12/17/2012					
RQ2	Q3	A	12/19/2012	3	12330018654	7/1/2012	9/30/2012	12/19/2012					
F3N	Q1	N	4/15/2011	79	11930671379	1/1/2011	3/31/2011		\$337,426	\$188,305	\$43,532	\$482,199	\$0
F3N	Q2	N	7/15/2011	108	11931844286	4/1/2011	6/30/2011		\$482,199	\$231,703	\$78,887	\$635,015	\$0
F3N	Q3	N	10/14/2011	99	11971590176	7/1/2011	9/30/2011		\$635,015	\$229,696	\$48,559	\$816,151	\$0
F3N	YE	N	1/31/2012	97	12950293701	10/1/2011	12/31/2011		\$816,151	\$226,696	\$65,357	\$977,491	\$0
F3N	Q1	N	4/15/2012	96	12970941428	1/1/2012	3/31/2012		\$977,491	\$198,439	\$78,328	\$1,097,602	\$0
F3N	Q2	N	7/15/2012	141	12952462904	4/1/2012	6/30/2012		\$1,097,502	\$349,985	\$54,028	\$1,393,459	\$0
F3A	Q2	A	10/26/2012	141	12940740731	4/1/2012	6/30/2012		\$1,097,502	\$349,985	\$54,028	\$1,393,459	\$0
F3N	12P	N	7/26/2012	29	12952597427	7/1/2012	7/18/2012		\$1,393,459	\$59,829	\$30,456	\$1,422,832	\$0
F3N	Q3	N	10/15/2012	118	12972675825	7/1/2012	9/30/2012		\$1,422,832	\$274,290	\$297,639	\$1,399,483	\$0
F3A	Q3	A	11/27/2012	118	12940763047	7/1/2012	9/30/2012		\$1,422,832	\$274,290	\$297,639	\$1,399,483	\$0
F3N	12G	N	10/25/2012	40	12940473977	10/1/2012	10/17/2012		\$1,399,483	\$60,707	\$219,693	\$1,240,496	\$0
F3N	30G	N	12/6/2012	63	12962935509	10/18/2012	11/26/2012		\$1,240,496	\$112,781	\$536,027	\$817,250	\$0
F3N	YE	N	1/31/2013	25	13960692610	11/27/2012	12/31/2012		\$818,177	\$16,467	\$39,579	\$795,065	\$0
F2A		A	4/22/2011	1	11931241726								
F1A		A	7/11/2012	8	12952294006								
F6N			7/28/2012	1	12952599652								
F6N			7/31/2012	1	12952601411								
F6N			8/5/2012	1	12952616694								
F6N			7/26/2012	1	12952597456								
F6N			7/21/2012	2	12952581844								
F6N			8/2/2012	1	12971830366								
F6N			7/24/2012	1	12952590485								
F6N			10/20/2012	1	12940362285								
F6N			10/23/2012	3	12960689001								
F6N			11/3/2012	2	12961240079								
F6N			10/25/2012	3	12940474952								
F6N			11/3/2012	1	12961240349								

F6N 10/31/2012 1 12940747029
 F6N 10/28/2012 1 12961219393
 F6N 10/28/2012 1 12961219395

Totals \$1,948,903 \$1,492,090

O-Index (2009-2010)																												
Cmte. ID: C00433730 Cmte. Name: LYNN JENKINS FOR CONGRESS																												
Treasurer Name: GROTE, HEATHER Address: PO BOX 1441, TOPEKA, KS 66601-1441																												
Cmte. Designation: P (PRINCIPAL CAMPAIGN COMMITTEE OF A CANDIDATE) Filing Frequency: QUARTERLY FILER																												
Cmte. Type: H (HOUSE)	Form	Trp	Rpt	Trp	AI	Rept	Dt	Pgs	Begin	Im#	Beg	Cvg	Dt	End	Cvg	Dt	Ltr	Mail	Dt	Begin	Cash	Receipts	Disb	End	Cash	Debits	Loans	Debits & Loans
	MS-T					1/22/2009		1	2990408214																			
	MS-T					1/22/2009		1	29931962956																			
	MS-T					1/22/2009		1	29931963472																			
	MS-T					2/13/2009		1	29932208492																			
	MS-J					12/23/2009		2	10030213244																			
	MS-T					4/26/2010		1	10930658251																			
	RQ1					3/4/2010		3	10030263266																			
	RQ2					12/10/2009		3	29030200956																			
	RQ2					3/25/2010		7	10030273276																			
	RQ2					6/24/2010		3	10030352891																			
	RQ2					2/17/2011		4	11330005298																			
	RQ2					9/9/2011		3	11330013442																			
	F3N					4/12/2009		69	29991930277																			
	F3A					7/15/2010		68	10930961993																			
	F3A					10/15/2010		68	10931462584																			
	F3N					7/15/2009		92	29992444805																			
	F3A					1/1/2010		93	10930025179																			
	F3A					4/26/2010		94	10930857868																			
	F3A					4/26/2010		94	10990631832																			
	F3A					7/15/2010		94	10990877067																			
	F3A					7/15/2010		94	10930962432																			
	F3A					10/15/2010		94	10931462583																			
	F3N					10/15/2009		79	29992937231																			
	F3A					10/17/2009		79	29993042620																			
	F3A					1/1/2010		79	10990023986																			
	F3A					4/26/2010		80	10990241161																			
	F3A					7/15/2010		80	10930857963																			
	F3A					7/15/2010		80	10930967912																			
	F3A					10/15/2010		80	10931462950																			
	F3N					1/31/2010		104	10990244999																			
	F3A					2/2/2010		105	10930309200																			
	F3A					4/26/2010		105	10990631936																			
	F3A					7/15/2010		105	10930969206																			
	F3A					10/15/2010		106	10991353626																			
	F3N					4/15/2010		64	10930567375																			
	F3A					4/26/2010		65	10990638428																			
	F3A					7/15/2010		66	10930970054																			
	F3A					10/15/2010		66	10991354011																			
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Attachment 1

Lynn Jenkins for Congress (C00433730)

Unauthorized Activity

Miscellaneous Electronic Submission (Form 99), received 1/31/13 (Image 13960692635)

A. Unauthorized Disbursements

Name of Payee	Date	Amount
Lynn Jenkins for Congress CD Account	8/28/2009	\$12,000.00
Lynn Jenkins for Congress CD acct	8/28/2009	\$4,800.00
Consolidated Lease & Fin 30-Day CD	9/1/2009	\$4,500.00
Total Unauthorized Disbursements		\$21,300.00

B. Refunds of Unauthorized Disbursements

Name of Payer	Date	Amount
Robert M. Telthorst Sole Prop DBA Lynn Jenkins for Congress	4/8/2010	\$21,308.92
Total Refunds of Unauthorized Disbursements		\$21,308.92